

Arkansas § 1115 Cash and Counseling Demonstration

FACT SHEET

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| Name of Section 1115 Demonstration: | Independent Choices |
| Date Proposal Submitted: | May 13, 1996 |
| Date Proposal Approved: | October 9, 1998 |
| Scheduled Expiration Date: | November 30, 2006 |
| Date Demonstration Implemented: | December 1, 1998 |
| Request to Amend Demonstration Design: | July 17, 2001 |
| Demonstration Design Amendment Approved: | August 3, 2001 |
| Request to Eliminate Experimental Design: | June 3, 2002 |
| Eliminate Experimental Design Amendment Approved: | October 2, 2002 |

SUMMARY

Arkansas is one of three States selected to participate in the Cash and Counseling Demonstration Project sponsored jointly by the Robert Wood Johnson Foundation (RWJF) and the Department of Health and Human Services. On October 9, 1998, CMS approved five-year Section 1115 “Cash and Counseling” demonstration projects. Arkansas implemented this demonstration program known as IndependentChoices on December 1, 1998. The program is statewide and the eligible participants include those who are currently receiving Medicaid, are eighteen years of age or older, require assistance with their activities of daily living, and are interested and willing to participate. Mathematica Policy Research Inc. used a control group versus treatment group experimental design to evaluate the project. Mathematica is evaluating participant satisfaction and safety, and health outcomes associated with the intervention.

A Medicaid services group known as the Counseling/Fiscal Agency (C/FA) provides the counseling and fiscal services to the consumer. This group assists the State with monitoring the health and safety and program compliance issues as required by Medicaid and CMS. The State served approximately 2001 enrollees in this demonstration.

BACKGROUND

Cash allowances exemplify a model of consumer-directed care that emanated from the disability rights and independent living movements. In principle, cash allowances maximize consumer choice and promote efficiency as consumers who shop for the most cost-effective providers may be able to purchase more services. Personal Assistance Services encompasses a range of types of human and technological assistance provided to persons with disabilities of any age who require help with basic Activities of Daily Living (ADLs). This demonstration will measure the impacts of paying cash benefits to eligible beneficiaries.

More information about IndependentChoices can be found at:
<http://www.independentchoices.com/ICHome.htm> and at www.umd.edu/aging.

Initial findings from Mathematica's ongoing evaluation of IndependentChoices program were published in the journal Health Affairs on April 15, 2003. The study can be found at: <http://www.healthaffairs.org> (Search for "Arkansas Cash and Counseling").

The final Mathematica report on IndependentChoices paid workers, "The Experiences of Workers Hired Under Consumer Direction in Arkansas", can be viewed at <http://www.umd.edu/aging>.

The final report from Mathematica on "The Effects of Cash and Counseling on Personal Care Services and Medicaid Costs in Arkansas" were published in the journal Health Affairs on November 19, 2003. The report can be found at: <http://www.healthaffairs.org> (Search for "Arkansas Cash and Counseling").

TARGET POPULATION/ELIGIBILITY

To be eligible for IndependentChoices, a participant must:

- Be 18 years of age or older;
- Be eligible for Medicaid as determined by the Department of Human Services (DHS);
- Be receiving personal care or be medically eligible to receive personal care;
- Be willing to participate in IndependentChoices and understand the rights, risks and responsibilities of managing their own care with an allowance; or, if unable to make decisions independently, have a willing representative decision-maker who understands the rights, risks and responsibilities of managing the care of the participant with an allowance.

The Division of Aging and Adult Services (DAAS) serves as the point of entry for all enrollment activity and refers interested parties to the CFA serving the county in which the resident lives. At the time of enrollment, the participant/representative will be asked to complete and sign an Enrollment Form that acknowledges their voluntary participation in the project and how delivery of personal care will be modified.

NUMBER OF INDIVIDUALS SERVED

DAAS seeks to contain active program participation by having no more than 3,500 active participants at any given time with a new/continuing ratio not to exceed .41.

BENEFIT PACKAGE

A plan of care is developed as part of the assessment/reassessment process. Assessments, counseling services and fiscal support services are provided by a qualified counseling/fiscal agency. Participants receive a monthly cash allowance, in lieu of the traditional Medicaid

service, for personal care. A cash expenditure plan (personal budget) is developed that is reflective of the participant's personal care needs. Participants may also identify and purchase higher cost items or services related to personal care with some money saved on a regular basis. Participants also develop a back-up plan in the event their personal assistant is absent for any reason. Participants, to the extent they are able, assume the employment related responsibilities, including payroll functions, payment of essential taxes and filing federal reporting forms.

COST SHARING

Not applicable.

ENROLLMENT LIMIT/CAP

The program has an enrollment limit of 3,500 participants at any one time.

DELIVERY SYSTEM

To access the program, persons may call a toll-free number or be referred to the program from a number of community and statewide agencies. If eligible, and the person voluntarily enrolls, the participant is assigned to one of the counseling/fiscal agencies serving the participant's region. The agency provides counseling as well as fiscal support services to the participant, along with quality assurance monitoring.

QUALITY ASSURANCE

The counselor provides ongoing monitoring via phone calls, semi-annual face-to-face visits, as well as monitoring of the Cash Expenditure Plan to detect overspending or under-utilization. Performance standards are incorporated into the contracts of the counseling/fiscal agencies. If a participant is dissatisfied with any service or level of service provided by the counseling/fiscal agency, participants may call the toll-free number to discuss the problem with project staff. Participants are also assured of an administrative appeal process if they believe that their number of care hours are unfair, and can appeal any adverse decision to the DHS Fair Hearings and Appeal process.

MODIFICATIONS/AMENDMENTS

On August 3, 2001, CMS approved an amendment to the demonstration to modify the Operational Protocol to include a new method for randomization.

On October 2, 2002, CMS approved an amendment to the demonstration to allow the program to continue without random assignment and to extend the demonstration.

For additional information, please contact the CMS Project Officer – Marguerite Schervish at 410-786-7200 or MSchervish@cms.hhs.gov.

Last updated: December 10, 2003